

July 15, 2005

Questions and Answers

The following topics are covered: Part 1, section 1; Part 2, section 1; Part 2, section 3; Appendix A; Form 2; and General

Part 1, section 1, #2.7

1. Question: At what point in the 4 year contract will RFS be determined for following program period?

Answer: Right of First Selection for the contract beginning on January 1, 2010, will be determined based on performance through 2008, the end of the third year of the Contract.

Part 1, section 1, #2.8

2. Question: For agencies that have met the RFS and choose not to send in their letter of intent what is the process for that?

Answer: If an RFS agency declines to submit its Letter of Intent to Contract or Relinquish RFS the RFS agency must submit its Plan by September 30, 2005, in order to continue in the re-contracting process.

Part 1, section 1, #s 2.9 and 5.8

3. Question: How does a new agency get represented in the process, and is a new agency allowed to be a part of the RFP process? (Part 1, section 1, 2.9 and 5.8)

Answer: Entities eligible to apply are defined in Part 1, section 1, 2.9; new agencies that meet those requirements may apply. The Department works with all of the selected 'new' agencies through the transition process.

Part 1, section 1, #2.10

4. Question: Why can't the state post the square foot cost for each job center and the square footage allowed for the services? This would avoid a multitude of questions to Job Service staff and assure that everyone had the same information.

Is the state the leaseholder for any job center? If so, can the cost of occupancy be provided for the center(s)?

Answer: In response to a W-2 RFP question, following is a listing of rent cost per square foot for the job center sites.

Please note that this is for actual rent only. The data does not necessarily reflect market rates in an area. Since many are subleases, there may be other factors that entered into negotiating the rate. There are also separate operating agreements that cover auxiliary shared costs such as common space, common reception, security, etc.

Building Address	Municipality Name	Cost per sq ft (Annual)
312 Forrest Avenue	Antigo	\$ 5.86
413 Ellis Avenue	Ashland	\$ 12.50
414 Main Street	Balsam Lake	\$ 12.84
524 South Boulevard	Baraboo	\$ 8.69
138 Front Street	Beaver Dam	\$ 12.98
742 Greentree Mall	Berlin	\$ 11.50
555 Scheidler Road	Chippewa Falls	\$ 14.76
627 Main Street	Darlington	\$ 10.46
319 Elaines Court	Dodgeville	\$ 10.83
221 W. Madison Street	Eau Claire	\$ 15.27
1000 E. Centralia Street	Elkhorn	\$ 11.25
388 W. Main Street	Ellsworth	\$ 10.14
325 N. Roosevelt Street	Green Bay	\$ 12.90
15618 Highway 63	Hayward	\$ 15.20
1900 Center Street	Janesville	\$ 7.85
847 Collins Road	Jefferson	\$ 15.43
8600 Sheridan Road	Kenosha	\$ 14.87
402 N. 8th Street	La Crosse	\$ 9.93
108 W. 2nd Street North	Ladysmith	\$ 13.44
8829 S. Highway 35 & 61 Street	Lancaster	\$ 7.35
1801-1821 Aberg Avenue	Madison	\$ 8.50
3733 Dewey Street	Manitowoc	\$ 10.44
1604 University Drive	Marinette	\$ 10.82
300 Peach Avenue	Marshfield	\$ 12.48
211 Hickory Street	Mauston	\$ 10.50
1800 Appleton Road	Menasha	\$ 9.25
401 Technology Drive	Menomonie	\$ 13.99
5555 W. Highland Road	Mequon	\$ 14.50
6817 W. Morgan Avenue	Milwaukee	\$ 16.58
6081 N. Teutonia Avenue	Milwaukee	\$ 12.65
906 W. Mitchell Street	Milwaukee	\$ 12.08
435 W. North Avenue	Milwaukee	\$ 16.95
1518-1/2 11 th Street	Monroe	\$ 5.78
501 Hewitt Street	Neillsville	\$ 13.00
240 Wisconsin Drive 110	New Richmond	\$ 10.86

Building Address	Municipality Name	Cost per sq ft (Annual)
315 Algoma Boulevard	Oshkosh	\$ 9.25
892 Main Street J	Pewaukee	\$ 7.91
2875 Village Road	Portage	\$ 14.86
111 W. Dunn Street	Prairie du Chien	\$ 4.57
1717 Taylor Avenue	Racine	\$ 11.50
230 S. Courtney Street	Rhineland	\$ 10.62
113 N. Main Street	Rice Lake	\$ 15.50
221 W. Seminary Street	Richland Center	\$ 12.77
707 E. Elizabeth Street	Shawano	\$ 11.27
3620 Wilgus Avenue	Sheboygan	\$ 10.90
14305 County Highway B	Sparta	\$ 12.50
522 Services Road East	Spooner	\$ 8.86
1001 Maple Bluff Road	Stevens Point	\$ 14.59
1009 Egg Harbor Road 112	Sturgeon Bay	\$ 7.40
1805 N. 14th Street	Superior	\$ 13.66
1310 Townline Road	Tomah	\$ 8.32
220 S. Main Street	Viroqua	\$ 8.50
120 W. Badger Street	Waupaca	\$ 6.05
368 Grand Avenue	Wausau	\$ 14.25
201 E. Main Street	Wautoma	\$ 6.62
2151 N. Main Street	West Bend	\$ 15.74
2821 S. 8th Street	Wisconsin Rapids	\$ 14.90
2821 S. 8th Street	Wisconsin Rapids	\$ 15.58

Part 1, section 1, #3

5. Question: How can I find out who will be the lead agency who is experienced in employment and training so that I could submit a proposal as a subcontractor for one or more of the JDPAs functions in Milwaukee County?

Answer: On September 9, 2005, the Department will announce the proposers that were selected to administer W-2 for 2006-09. This information will be posted on the W-2 RFP website.

Part 1, section 1, #4.4.3.1

6. Question: On page 1-13, item 4.4.3.1 states that financial statements required under this RFP, Part Two, Section One, 1.16 are separate submittal and not included as part of the 250-page limit. However, 1.16 refers to the Designation of Confidential Information, not financial statements. What exactly must and/or can be submitted as a separate submittal?

Answer: The reference in 4.4.3.1 is incorrect; the correct reference is part 2, section 2, 1.8. The financial statements do not count in the 250-page count.

Additionally, the following do not count in the 250-page limit: a transmittal letter; an executive summary; the required forms; board related items (see Part Two, section one, #1.7); and other optional submissions, such as staff resumes.

7. Question: Is it acceptable to use a font smaller than 10 point for graphics?

Answer: Yes, a font smaller than 10 point is acceptable for graphics. The font size of the graphic is not restricted to the 10 point standard.

Part 2, section 1, #1.7

8. Question: The state is asking for far too much information from private organizations, especially in relation to 1.7c, board agendas. Most of this information will be irrelevant to the operation of W-2 agencies and we ask that the state remove these onerous requirements.

Answer: The information is needed for evaluating how involved the boards are in financial matters and oversight of the W-2 operations. The information will also be used in risk assessments as part of our fiscal monitoring program. These documents do not count toward the 250-page limit.

Part 2, section 1, #1.8

9. Question: Is this section (Audits and Financial Strength) necessary for Counties to answer? DWD receives a copy of County audits annually.

Answer: We do not require copies of audits from Counties or RFS private agencies. In addition, net asset information is not required from Counties. All other response items in this section are needed from every proposer.

10. Question: Audits and Financial Strength, Item C, adjusting entries, in a County audit could include items from many departments. Do you really want this?

Answer: Yes, include all adjusting entries as it would be too difficult to identify just those that impact the W-2 program. This data is being collected as a risk assessment measure for our monitoring program.

Part 2, section 2, #1.13

11. Question: The bonding costs will be very high. Can the amount of the bond be reduced?

Answer: The bonding amount has been reduced to the amount of 1 month's prepayment. The scope of the bonding has been reduced to protect the Department from loss of the prepayment. If an agency elects not to receive any prepayments, then no bonding is required. As before, Counties and Tribes are not subject to the bonding requirements. Please refer to the RFP and RFS addenda for details.

Also, the Department will provide a bonding form containing the specifications for the bond to ensure you do not pay for more coverage than is needed.

Other ways that may help reduce the cost include:

- Offer collateral;
- Bundle insurance purchases at one company to get better rates; and
- Explain the risk is limited in time to when the prepayments are recovered.

12. Question: Is the cost of bonding an allowable W-2 cost? If so, would this cost be included in the Administration Allocation budget category?

Answer: Yes, the cost of the bond is an allowable W-2 administrative cost. It would be included in the Administration – W-2 Contract Agency budget category (Item I A on Form 2).

13. Question: What requirements for bonding are required for a new agency?

Answer: Bonding requirements are the same for new agencies as for continuing agencies. Please refer to RFP Addendum No. 1 for details.

14. Question: Please clarify what types of agencies are considered "private agencies" for the purposes of bonding and for other sections that note a response from private agencies only.

Answer: Private agencies are all W-2 contract agencies other than government agencies and Tribal governments. Private agencies include for-profit entities, not-for-profit entities and consortia of such agencies.

15. Question: Will the value of the bond be reduced or eliminated during the contract term?

Answer: No, the bonding amount is to remain the same throughout the term of the contract. However, please note that the bond amount and scope has been reduced. Also, agencies may avoid the bonding requirement by electing not to receive any prepayments. Please refer to the RFP and RFS addenda for details.

16. Question: Does the requirement for the bond relate only to service and administrative dollars or does it include benefit dollars as well?

Answer: The bond amount equals 1 month's prepayment if prepayments are given. Therefore, it relates only to service and administrative dollars as there are no prepayments for benefit dollars. Please note that the bond amount and scope has been reduced. Also, agencies may avoid the bonding requirement by electing not to receive any prepayments. Please refer to the RFP and RFS addenda.

17. Question: Will DWD require the repayment of overpayments due to agency error from corporate funds or through the bond?

Answer: Corporate funds. The bond is simply to insure the repayment of at least one prepayment.

Part 2, section 3, #1.1

18. Question: Where/how do we show additional revenue to balance the budget when instructions call for only reporting TANF dollars?

Answer: At this time, we only require information on how you will budget the TANF dollars. The monthly expense/participant service level form, which will be provided at a later date, will collect additional revenue information. However, you may wish to include a footnote to Form 2 explaining that you do have additional revenues and the approximate amount of those revenues.

19. Question: Will the capped levels for advertising, promotional costs and communications be determined from the budgeted levels we submit with the plan if we are an RFS agency?

Answer: No. Actual cost data for these cost categories was collected from several agencies during monitoring visits earlier this year. Those will be used to set caps. However, if an agency proposed budget exceeds those caps, the agency will be asked to justify the excess. If justified, we will increase the cap for that agency. Justifications may include a new W-2 agency that must install a new phone system. That is why we break telecommunication costs between on-going and one-time costs.

Part 2, section 3, #1.2

20. Question: Expenditure/Participant Service level plan - since this is a response item, is the proposer to submit a plan as part of the proposal or by January 1, 2006?

Answer: The monthly expense/participant service level plan form will be provided at a later date. When provided, the form will identify the due date. Only Form 2 is required as part of the proposal submission.

Appendix A, Allocations

21. Question: Can you explain why our administration allocation was reduced 6%, our benefit allocation reduced approximately 21% and our services allocation reduced almost 38%? What drove this and is this how other agencies were impacted?

Answer: Each BOS geographic area received the same total reduction from their current (as of 06/24/05) 2004-05 funding level. This amount was distributed to the three categories, Administration; Services; and Benefits, based on each categories' percent of the total 2006-07 contract funding as it is in the Governor's budget.

The Governor's budget is as follows:

	Admin	Services	Benefits	Total
Governor's Budget	\$33,668,200	\$86,926,000	\$103,860,000	\$224,454,200
% of Total	15.00%	38.73%	46.27%	100.00%

Each BOS geographic area has the same percent of total contract allocation as Administration, Services and Benefits and they have the same percent reduction from their current 2004-05 funding level at the time of publishing the RFP.

Agencies have the flexibility to amend their Services and Benefits allocations during the contract to meet the needs of their agency.

22. Question: In reviewing the base contract allocations and caseloads from the various counties, I don't understand why there is such variance in the amounts. For example, Green County's allocation is approximately \$237,000 with a total caseload of 182, while Green Lake's allocation is about \$10,000 more with a caseload of 107. Clark County's allocation is approximately \$570,000 (over double of Green's Allocation) with a lesser caseload size than Green County. Lincoln County also has a similar caseload with an allocation that is over \$50,000 more than what Green County's is.

We would appreciate an explanation of the methodology that was applied in determining the allocations for the first two years of the 2006-2009 contract.

In Appendix A of the RFP process, item 2 on page 2 states "All BOS geographic areas shared equally in the statewide funding reduction" but apparently not all areas received reductions. In reviewing the Base Contract Allocations by geographic area, approximately five (5) areas received an increase in their allocations.

Answer: The May 2005 caseload data found in Appendix F of the RFP was provided for the purpose of Consortia Formation. These caseload numbers were not used in the allocation methodology. The allocation methodology used with the 2004-05 allocations is carried forward and each geographic area received the same reduction from their current 2004-05 level (as of 06/24/05).

No areas received an increase from their current 2004-05 level. Agencies need to make sure they don't compare the 2006-07 allocations to the initial 2004-05 allocations but to the current 2004-05 allocations which include all amendments processed through 06/24/05. These amendments included funding for an increased Hmong Caseload, additional funding in accordance with Admin Memo 04-25 and Early Access to the additional funding in accordance with Admin Memo 04-25.

23. Question: If agencies reduce caseloads and save benefit dollars can these be added to underfunded services rather than being redistributed to agencies with growing caseloads?

Answer: Yes, agencies will have the flexibility to move funding between their Services and Benefits Contract Budget amounts. The process for these contract amendments has not yet been finalized.

24. Question: The benefit allocation in the RFP does not appear to reflect the actual paid caseload distribution of May 2005. Please explain the methodology that was used to determine the benefit allocation per Appendix A, page 4 of the RFP?

Answer: Appendix A, page 4 is the 2006-07 statewide allocations by geographic area. BOS and Milwaukee received funding at the same ratio as the current funding level. BOS geographic areas received the same total reduction from their current (as of 06/24/05) 2004-05 funding level. This amount was distributed to the three categories, Administration; Services; and Benefits, based on each categories' percent of the total 2006-07 contract funding as it is in the Governor's budget. The total

Milwaukee funding was allocated among the three functional services, Case Management; Job Development and Placement; and SSI Advocacy. The May 2005 paid caseload distribution in Milwaukee was used to allocate the benefits funding allocated to the CMA. The JDPA does not receive benefit funding and the SSI Advocacy Agency's benefit allocation does not need to be allocated among regions as there is just one agency for all of Milwaukee.

25. Question: Is DWS' Federal cost allocation plan available?

Answer: A copy of the section(s) of DWS' Federal cost allocation plan that relates to your agency type can be requested through Becky Craig via e-mail. <mailto:Becky.Craig@dwd.state.wi.us>

Form 2, 2006-2007 Base Contract Budget

26. Question: May the Proposer alter the 2006-2007 Base Contract Budget Form?

Answer: The proposer must submit Form 2, 2006-2007 Base Contract Budget. The proposer may submit additional information on the budget by attaching a document.

27. Question: In Form 2 Item 2B, should space and travel costs be apportioned across the itemized budget lines or aggregated in the "All Other Services" line? (From p 12 middle)

Answer: Space and travel costs would be incorporated into any and all lines in item 2B as needed in accordance with each proposer agency's accounting system. Refer to the line definitions in the form instructions for what each line represents.

28. Question: Do we need to include a rent line item in our proposal budget, or will the job center space be available for free from the county?

Answer: The rent space will not be free. Yes, you must include an amount for rent in your proposal budget.

29. Question: Profit policy question

Answer: The W-2 contracts that DWD will issue under this RFP are cost-reimbursement type contracts and no profit is allowed under DWD policy. Profit may be allowed under DWD policy when a flat-fee for service type contract is issued. See RFP Part One; section one for the link to the DWS financial policies, which contains a memo on profit.

General

30. Question: Has the process changed for Children First and Contracted Child Care i.e. do we have to incorporate them in with this proposal?

Answer: The process for Children First and Contracted Child Care (sometimes called on-site child care) has not changed. The funding for these Related programs will be issued with an amendment to the W-2 and Related Programs Contract, in accordance with the approved requests. The Bureau of Child Support and the Child Care section review and approve funding for these programs. At this time do not include Children First funding in your budget.

31. Question: Will Children First participants be served in the CMA or JDPa? Who gets the \$400?

Answer: Milwaukee County Child Support Agency, the contract agency for Children First, will reimburse the agency that provides the service; either agency could be the service provider to the Children First participant.

32. Question: Are there advance payments?

Answer: Yes, there will be two (2) advance payments available in January and February, each equal to 1/24th of the administrative and services allocation combined. Reimbursement payments will begin a month earlier than under the current contract with the first payment being made by March 5, 2006. Monthly expenditure reports will be due by the 25th of each month with payment made by the 5th of the following month.

33. Question: Will DWD cover funding deficits that arise at W-2 contract agencies?

Answer: No. All available funds are being allocated and awarded at this time. There will be no funds available for later release.

34. Question: How will Proposers know when their proposal is date and time stamped if they use a commercial delivery service? Will the Department confirm receipt of a proposal?

Answer: The Department will confirm its receipt of a proposal with a receipt, sent by mail, and with an e-mail.